

Summary

The Medallion II Program was authorized by the 1995 General Assembly. It received approval from the Centers of Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration (HCFA), in the form of a 1915(b) waiver in 1995. Medallion II takes the implementation of managed care in Virginia one step further by requiring mandatory enrollment in managed care organizations for most Medicaid clients. The main exceptions are long-term care recipients who are in institutions and those recipients enrolled in separate home and community-based care waiver programs. The emphasis of the program is to provide access for preventive and coordinated care.

All enrolled clients can choose between several Managed Care Organizations (MCOs), or one participating MCO with the MEDALLION program in their locality. Clients who do not make a choice are assigned to an MCO. To ensure high quality care and adequate access, Virginia tracks the care provided through compliance and quality improvement programs initiated by DMAS, and through contracts with external quality review organizations. The contracts to MCOs are awarded based on competitive proposals and contract negotiations. Rates paid to MCOs are lower than fee-for-service payments for similar services and determined by a national accredited firm utilizing data and trends.

Most Virginia Medicaid health plans have national quality accreditation. The plans have increased provider access, improved health services, and reduced costs. The Department monitors the plans through internal compliance. The program has been evaluated and participated in numerous studies by independent evaluations. These studies have indicated that the program has increased provider access, has high patient satisfaction, improved health outcomes, and reduced Department costs.

The Medallion II program has been successful in enhancing access and availability of care by requiring MCOs to maintain an adequate network of physicians, hospitals, ancillary, transportation, and specialty providers. The program has promoted recipient services and preventive care services, as well as the continuity and appropriateness of care. The MCOs provide extensive new member services including 24-hour nurse advice lines, as well as other enhanced services (e.g., adult dental and vision, enhanced pre-natal programs, case management services, and, group and individualized health education not offered under traditional Medicaid).

**MEDALLION II WAIVER:
VIRGINIA MEDICAID'S PRIMARY CARE CASE MANAGEMENT PROGRAM**

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Milestones	January, 1996	Medallion II began January 1, 1996 for Virginia Medicaid recipients covering managed care recipients in seven (7) Tidewater localities.
	November, 1997	Medallion II expanded in November of 1997 to an additional six (6) cities and counties adjacent to Tidewater.
	April, 1999	DMAS further expanded Medallion II to an additional 33 cities/counties in Central Virginia to include Richmond, Hopewell, Petersburg, and their surrounding counties.
	October, 2000	Medallion II expanded to Areas Adjacent to Central Virginia, including the City of Fredericksburg and Mecklenburg County.
	December, 2000	CMS renewed the Medallion II waiver allowing for MEDALLION and Medallion II to operate concurrently in a statewide expansion.
	December, 2001	The Department expanded Medallion II into 48 additional localities including the areas of Danville, Roanoke, Charlottesville, and Northern Virginia affecting approximately 103 localities and approximately 243,000 Medicaid recipients.

Monthly Enrollment by Fiscal Year

	1996	1997	1998	1999	2000	2001	2002	2003
July		94,599	85,439	89,712	149,697	142,275	156,847	237,419
August		94,815	85,064	89,433	150,140	141,512	157,686	237,997
September		94,365	83,942	89,210	149,415	140,367	157,469	245,293
October		93,307	82,462	85,270	149,794	148,989	158,408	237,453
November		93,613	89,964	84,933	149,686	154,631	159,372	240,385
December		90,542	89,989	86,156	149,474	156,552	178,665	242,870
January		64,628	89,772	86,984	150,112	157,628	238,656	249,475
February	87,560	69,499	89,015	86,431	151,036	157,426	238,937	252,478
March	86,394	86,699	88,756	86,509	150,731	156,860	235,023	253,832
April	93,198	85,815	89,271	145,264	150,203	156,934	233,782	253,868
May	93,835	85,743	89,271	147,134	145,295	156,288	235,235	256,843
June	94,118	86,205	89,712	150,067	142,355	156,072	238,131	258,678
Average	91,021	86,653	87,721	102,259	148,995	152,128	199,018	247,216